

REAL ESTATE COMMISSION  
Professional & Vocational Licensing Division  
Department of Regulatory Agencies  
State of Hawaii

MINUTES OF MEETING

Date: Thursday, September 30, 1971

Place: Board Room, Department of Regulatory Agencies, 1010 Richards Street,  
Honolulu, Hawaii

Present: Herbert S. Isonaga, Vice Chairman  
Louis Cannelora, Member  
Mrs. Mary Savio, Member  
John D. Texeira, Member  
Hiromu Yamanaka, Member  
William H. C. Young, Member

Sidney Ayabe, Deputy Attorney General  
Yukio Higuchi, Executive Secretary

Dr. Edward Laitila, College of Business Administration, U.H.  
Wesley Park, Director, Small Business Management Program, College  
of Business Administration, U.H.

Absent: Douglas R. Sodetani

Call to Order: In the absence of Chairman Sodetani, the meeting was called to  
order by Vice Chairman Herbert Isonaga at 2 p.m.

New Member: Mrs. Mary Savio, the new Oahu member appointed by the Governor  
to replace Mr. Harold Silva, was introduced and welcomed by the  
members.

Minutes: Upon motion, the minutes of the August 26, 1971 meeting were  
approved as circulated.

Attorney  
General's  
Report: Growth International Realty, Inc.  
Mr. Ayabe reported that he has been in telephone contact with  
Kenneth Kawazoe, President of Growth International Realty, Inc.,  
and with John Ahrens, attorney for the corporation. He has sent  
out inquiries to the California Attorney General and the California  
Real Estate Commission requesting information pertaining to their  
dealings with Australian land sales. He advised that he intends  
to meet with Mr. Ahrens in the future to discuss this matter.

R.E. Recovery Fund Claim Against Carl Farden, Jr.  
Mr. Ayabe advised the Commission that at this time the Attorney  
General's office will not file a motion to intervene and will  
take the position of "wait and see" until a judgment is rendered  
by the court.

Clarification of Section 467-8(5), H.R.S. (one year residence)

Mr. Ayabe requested that the Commission reconsider its previous ruling of allowing applicants to sit for the real estate examination only after they have fulfilled the one year residence requirement of Section 467-8(5), H.R.S. He pointed out that the law only states that an applicant for license must have been a resident of the State for at least one year prior to the issuance of a license and does not state that an applicant must be a resident of the State for at least one year prior to taking the examination.

Commission Policy

Upon motion, the Commission decided that an applicant need not have been a resident for one year prior to taking the examination provided, however, if said applicant is successful in the examination, prior to the issuance of a license he must show that he has been a resident of the State for one year.

R.E. Recovery Fund Claim Against John P. Chong

Mr. Ayabe made a progress report on the claim filed by L. N. Nevels on behalf of his client Fred H. Haley, Jr., against John P. Chong, deceased real estate broker. The Commission requested that Mr. Ayabe review this matter and request for investigation if he feels it necessary.

Committee  
Reports:Educational Task Force Committee

Dr. Laitila submitted an outline of what his first draft report will contain. He reported that he will submit his first draft report in about a week. Upon receipt of the first draft report, the Educational Task Force Committee will meet to review the report.

Dr. Laitila requested that the Commission allows him to include a questionnaire in the October 28, 1971 examination materials. The questionnaire is to help determine educational background and examination preparations made by applicants. The Commission approved Dr. Laitila's request.

The Executive Secretary made the following progress reports on the following projects:

Project No. 1

The Director of Regulatory Agencies has communicated with Dean Ralph Hook of the College of Business Administration and Mr. Frederick Y. Smith, Executive Secretary of the University of Hawaii Foundation, and arrangements have been made for payment to be released to acquire the information needed for the final report and completion of the project.

Project No. 3

The contract has been approved by Administration and ready for execution by the parties. The contract forms were entrusted to Mr. Wesley Park who consented to acquire the signatures of Dean Ralph Hook and Mr. Fredrick Smith.

As requested by the Commission, Mr. Wesley Park submitted a statement of the starting up costs of Project No. 3 which totaled \$868.26 as of September 3, 1971.

Upon motion, the Commission authorized payment of the starting up costs of \$868.26 upon execution of the contract.

Project No. 4

The Honolulu Board of Realtors had entered into their contract with Dr. Laitila on September 3, 1971. The Agreement between the State and Dr. Laitila was approved by Administration and ready for execution by Dr. Laitila and the Chairman of the Real Estate Commission.

Rules and Regulations Review Committee

Co-chairman Hiromu Yamanaka reported that his committee will work together with the members of the Commission and the staff in putting together a presentation for consideration by the Commission. He reminded that October 15, 1971 is the deadline for making submittals.

The Chair announced that the Director of Regulatory Agencies has been requested by the Commission to contact all persons and firms involved in condominiums and request that they review the law and rules on horizontal property regimes and submit their comments for Commission's review. The Chair advised that the review on the condominium law and rules will be handled as a separate project from the licensing law and rules.

Business Out  
of Minutes:

Violet C. King, Applicant for Real Estate License

The Executive Secretary reported that the appeal hearing on Mrs. Violet C. King which was scheduled for 9:30 a.m., September 30, 1971, was postponed at the request of Mrs. Violet C. King. Notice has been sent to advise her that her hearing will be rescheduled for sometime in 1972.

Rentals of Condominiums and Cooperative Apartments by Resident Managers

A draft of Mr. Louis Cannelora's proposed notice of warning for possible unlicensed activity directed to resident managers of apartment houses, whether conventional, cooperative, or condominium, was presented to the Commission.

Upon motion, the notice was adopted with two minor deletions. The Executive Secretary was instructed to mail a copy of the notice to the resident managers of every condominium project subject to the approval of the Director of Regulatory Agencies.

Investigations: RE-318 Robert Lucas

Announcement was made that the hearing on Robert Lucas will be continued on Friday, October 22, 1971, at 9:30 a.m.

RE-398 Mrs. Edmund Hedemann

The Executive Secretary reported that the hearing date in this matter has not been set as yet pending further investigation requested by Mr. Sidney Ayabe.

RE-405 Clarence S. L. Tam

The Executive Secretary reported that efforts to retrieve Clarence S. L. Tam's revoked license has been unsuccessful. According to Tam, he left his wall certificate at Great Hawaiian Realty when he left the firm. In checking with the firm, we had been informed that they couldn't locate Tam's certificate. There is no ID card to retrieve inasmuch as no 1971 ID card was issued to Tam due to the pending hearing at the renewal period.

The Commission considered this matter closed.

RE-425 Masao Shintani

According to Vernon Tashima, attorney for Pierce Langford II, the complainant, his client is still in the mainland. He stated that he will write to his client to determine when he will return to Hawaii and will report back to the Commission.

RE-445 R.S.M., Inc.

Mr. Hiromu Yamanaka reported that he has contacted John Yuen of the Bank of Hawaii, Hilo Branch, and Kenneth Griffin of R.S.M., Inc., and it appeared to him that R.S.M., Inc., was negligent in their duty as broker in failing to get a tax clearance report. He further reported that Griffin had mentioned that he wants to make restitution.

Upon motion, the Commission deferred action on this matter until the next meeting.

RE-435 Royal Developers

Upon motion, the Commission decided that no further action will be taken on the basis of the following:

As to Charge No. 1

The Commission feels that the matter of refund of deposit monies is a matter for the court to decide. Action on this charge was deferred until after the court decides on the matter.

As to Charges Nos. 2 and 3

The Commission decided to dismiss these two charges inasmuch as the Commission investigation did not substantiate the allegations of respondent's lack of diligence in his effort as broker for complainant and that Ted Miyagawa acted as a real estate salesman without a license.

RE-442 Jean M. Stark

Upon motion, the Commission found no technical violation committed by Jean M. Stark although she did not live up to the spirit of Rule 1.3(a) of the Commission's rules.

The Commission directed that she be admonished for not living up to the spirit of Rule 1.3.

RE-444 Elaine Niimi

Upon motion, the Commission found no violation against respondent, Elaine Niimi, but directed that a letter of warning be sent to her broker, Robert Jobes, against future possible violations of Rule 1.3(i) of the Commission's rules.

RE-451 Horita Realty, Inc.

Upon motion, the Commission dismissed this complaint on the basis that respondent is entitled to the \$250 and investigation did not substantiate the charges of misrepresentation made by respondent.

New Business:      Licensing

Corporation

Cosyco Realty, Inc. - 1000 Bishop St., Ste 908, Honolulu  
Gordon K. Uyeda, PB  
Sandwich Islands Realty, Inc. - 658 Front St., Lahaina, Maui  
Virginia Cundiff, PB  
Barbara Odor Realty, Inc. dba Barbara Odor Realty - 745 Fort St.,  
Honolulu, Hawaii - Barbara Odor, PB  
Walrick Corporation - 1210 Dillingham Blvd., No. 12, Honolulu  
Dorothy W. Duponte, PB  
Richard A. Bintliff, Ltd. - Ste 1908, Financial Plaza of the Pacific,  
Honolulu - Richard A. Bintliff, PB  
Realty Ventures, Inc. - 2996 Koapaka St., Honolulu  
Maxine V. McLean, PB  
Hanalei Realty, Ltd. - Kuhio Hwy, Box 37, Hanalei, Kauai  
Nelson K. Hardenbergh, PB

Partnership

Land-West Development Company - 1650 Kanunu, Ste 203, Honolulu  
Robert G. Rediske, PB

Branch Office

AMH Corp dba Co-operative Realty, BR-1 - 55-510 Kam Hwy, Laie  
Benjamin C. Wagner, BIC  
Earl Thacker Co., Ltd., BR-1 - 2216 Main St., Box 1141, Wailuku, Maui  
Leslie M. Agorastor, BIC  
Hale Consultants, Inc. dba Helene Hale Realtors, BR-1 - 121 A Banyan  
Dr., Hilo, Hawaii - Kenneth M. Wadahara, BIC  
K & H, Inc., BR-1 - 2688-E Kili Hau St., Honolulu  
Henry M. Arakaki, BIC  
Hawaii Shopping Center Corporation, BR-1 - 700 Bishop St., Rm 1212,  
Honolulu - Bruce F. Buckman, BIC  
Hawaiiana Realty & Management, Inc., BR-2 - 39 Maluniu Ave., Kailua,  
Hawaii - John L. Van Cott, BIC

DBA

Gilbert's - 218 N. Nimitz, Honolulu

Gilbert H. Otani dba

Monarch Realty - 2828 Paa St., Ste 1073, Honolulu

Earl J. Hanson dba

Upon motion, the license processing of the above as tentatively authorized by the Licensing Administrator was approved with the exception of Barbara Odor Realty, Inc., and Land-West Development Company.

The Executive Secretary was requested to determine whether Barbara Odor Realty, Inc., can legally do business as Barbara Odor Realty, and whether Land-West Development Company could be issued a license should all of the partners not be licensed broker. The Executive Secretary is to report back to the Chair with the information.

Real Estate Recovery Fund

Mr. William Young reported that the Commission now has in interest earning deposit the amount of \$8,000 for 30 days and the amount of \$10,000 for 60 days. These deposits were made on September 14, 1971.

Request for Funds for December 3-5, 1971 Meeting in Hilo and Kona, Hawaii

The Executive Secretary reported that a written request dated September 20, 1971 was forwarded to the Director of Regulatory Agencies requesting approval and funds for December meetings in Hilo and Kona, Hawaii, which were not budgeted for during this fiscal year. As yet, no reply has been received from the Director.

1971 NARELLO Annual National Meeting

The Executive Secretary reported that a travel request for Chairman Douglas Sodemani to attend the national meeting in Miami Beach, Florida, for November 6-12, 1971 was submitted.

Other New  
Business:

None

Correspondence: Request for Ruling from Richard Albert Dupere

Upon motion, the Executive Secretary was instructed to inform Richard Albert Dupere that the hypothetical case presented would in the opinion of the Commission be a violation of Section 467-14(14), Hawaii Revised Statutes.

Request for Ruling from Katsumi Ohama


Upon motion, the Executive Secretary was instructed to refer Katsumi Ohama's letter to the Attorney General's office for an opinion.

Next Meeting  
Date:

Thursday, October 28, 1971, at 1:00 p.m.

Adjournment: There being no further business, the meeting was adjourned at 4:15 p.m.

Recorded by:

  
YUKIO HIGUCHI, Executive Secretary

YH:va  
10/12/71